

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

INCOME TAX REFERENCE NO. 553 OF 1998

The Commissioner of Income-tax. ... Applicant.

V/s.

Dalal Engineering P.Ltd.

... Respondent.

A.S.Rao for the Applicant.

CORAM : V.C.DAGA AND J.P.DEVADHAR, JJ.

DATED : 29th March, 2005.

P.C. :

. Heard learned counsel for the applicant.

The tribunal has referred following question for the

opinion of this Court:

"Whether on the facts and in the
circumstances of the case, the Tribunal was
right in law in holding that in computing
the disallowance in respect of expenditure
which resulted in remuneration benefit or
amenities to employee directors provisions
of Sec.40(c) of the Income-tax Act, 1961 and
not those of Sec.40A(5)(a) thereof would be
applicable?"

2. The above question has already been answered by
the Division Bench of this Court in the case of
C.I.T. v. Hico Products P.Ltd., (1993) 201 ITR 567
(Bom) in favour of assessee and against the the
revenue. In this view of the matter, the question
referred is answered in affirmative for the reasons
stated in the above referred judgment.

. Reference stands disposed of accordingly

with no order as to costs.
